



21 December 2012

ASX/MEDIA RELEASE

STRAITS RESOURCES LIMITED
(ASX: SRQ)

STRAITS RECEIVES \$1M OPTION FEE TO FURTHER PROGRESS HILMGROVE SALE

Straits is pleased to update the market that Bracken has today deposited its second non-refundable option fee of \$1 million in accordance with the terms of the agreement for the sale of the Hillgrove Mine. This transaction assists with the separation of the Copper and Gold Assets, being one of the Company's 5 key corporate objectives.

Key Objective

- Effect the separation of Copper and Gold assets either via a demerger or asset sale.

Agreement for Sale of Hillgrove

On 9 November 2012 the Company announced its entry into an Option Agreement with Bracken Resources for the sale of the Hillgrove Mine. Today, Bracken has paid its second non-refundable option fee of \$1 million in accordance with the terms of the agreement.

Bracken must make a third non-refundable \$1 million option payment and deliver an exercise notice on or before 4 February 2013 which commits Bracken to the purchase of Straits Hillgrove Mines Pty Ltd (subject only to FIRB approval) for the purchase price of \$27 million and the replacement of Straits bond in the sum of \$3.9m.

We will continue to keep the market informed as to the progress of this transaction.

For further information, please contact:

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